## IN THE CLAIMS

Please amend the claims as follows:

Claims 1-28 (Canceled).

Claim 29 (New): A video decoding method comprising: receiving an encoded data including:

- (a) a first mode information for each of macroblocks, the first mode information indicating (a-1) a single prediction referring to a reference frame or (a-2) a composite prediction referring to a plurality of reference frames,
- (b) a second mode information for each frame or each set of a plurality of frames, the second mode information indicating (b-1) an average value prediction or (b-2) a linear extrapolation prediction or linear interpolation prediction, and
- (c) a predictive error signal; generating a predictive macroblock by:
- (1) referring to a reference macroblock of a reference frame when the first mode information indicates the single prediction,
- (2) averaging a plurality of reference macroblocks of the plurality of reference frames based on the motion vector data when the first mode information indicates the single prediction and the second mode information indicates the average value prediction, and
- (3) performing a linear extrapolation or linear interpolation using a plurality of reference macroblocks of a plurality of reference frames based on the motion vector data when the first mode information indicates the single prediction and the second mode information indicates a linear extrapolation prediction or linear interpolation prediction;

generating a decoded macroblock by adding the predictive macroblock and the predictive error signal.

Claim 30 (New): A video decoding apparatus comprising: a receiving unit configured to receive an encoded data including:

- (a) a first mode information for each macroblock, the first mode information indicating (a-1) a single prediction referring to a reference frame or (a-2) a composite prediction referring to a plurality of reference frames,
- (b) a second mode information for each frame or each set of a plurality frames, the second mode information indicating (b-1) an average value prediction or (b-2) a linear extrapolation prediction or linear interpolation prediction, and
- (c) a predictive error signal;
  a generating unit configured to generate a predictive macroblock by:
- (1) referring to a reference macroblock of a reference frame when the first mode information indicates the single prediction,
- (2) averaging a plurality of reference macroblocks of the plurality of reference frames based on the motion vector data when the first mode information indicates the single prediction and the second mode information indicates the average value prediction, and
- (3) performing a linear extrapolation or linear interpolation using a plurality of reference macroblocks of a plurality of reference frames based on the motion vector data when the first mode information indicates the single prediction and the second mode information indicates a linear extrapolation prediction or linear interpolation prediction; and

Application No. 10/665,001 Reply to Office Action of August 2, 2007

a generating unit configured to generate a decoded macroblock by adding the predictive macroblock and the predictive error signal.